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a/c

20 June 1955

CH/D/B

Status report concerning the work of the Drafting Group of the Dodge Council on the overall review of economic defence policy.

The Drafting Group has received and discussed approximately half of the twenty Staff Studies being prepared in various Agencies of the government. Where the subject matter appeared to indicate DIA or OCI interest, D/E has coordinated the draft papers with the interested divisions, in spite of the fact that copies are often received from reproduction only a day or two before discussion in the Drafting Group.

The exact status of the Staff Studies is given in the attachment hereto.

The Drafting Group proposes to suggest to the Steering Committee at the 10 o'clock meeting 21 June that the presentation to the Dodge Council consist of three parts:

1. Overall statement of policy being prepared in draft by Mr. Goodkind, State, which may be submitted to the Drafting Group meeting today at 3 p.m.
2. Comparative Draft of Revised Statement of Policy on Economic Defense (i.e. suggested revision of HSC 152/3) to be discussed by Drafting group today, 20 June, and Steering Committee tomorrow, 21 June.
3. An appendix consisting of copies of the Staff Studies. (Abstracts of these studies may be made for the final presentation.)

It is hoped that the whole problem will be cleared through the Steering Committee so that the final result may be presented to the Dodge Council by June 30 at the latest.

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D/E/RN [REDACTED] (20 June 1955)

Distribution:

Orig. and 1 to addressees

LAD/RN

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25 June 58

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NON-PROLIFERATION COMMISSION STUDY BRIEFSStaff StudyPrepared by# 1 Evaluation of Definitions and Criteria for Controlling  
Trade with the Soviet Bloc

State and CIA

Received in D/S 14 June 58; at request of D/A.  
15 copies sent to D/A for distribution by them to  
DIA; 2 to D/C/DCI; 2/2 (S/C and S/ST).

25X1A9a

Received ~~unclassified~~ estimates 17 June from D/ST# 2 Trade of the European Soviet Bloc in Agricultural  
Products

State

Received 7 June 58 in D/S; sent to: D/C/DCI; D/C/DC  
D/S (S/C and S/ST).

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Shared with D/A [REDACTED] 16 June and S/ST [REDACTED]  
on 18 June 58.

Discussed at Drafting Group meeting 10 June 58.

# 3 Foreign Assistance toward Economic Defense

State

Received in D/S 9 June 58; sent to: D/C/DCI;  
D/C/DCI/Economic Division/ODI (via [REDACTED]);  
D/S (S/C and S/ST). 25X1A9a

ODI (Dear Staff) [REDACTED] comments transmitted  
to Drafting Group meeting 17 June 58.

# 7 Reliability of Participation in Free World Controls

XMAS

Received in D/S 10 June 58; sent to: D/S (DC, EDC,  
DC) from D/C/DCI. ( 1 copies received)

Discussed at Drafting Group meeting 18 June 58.

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Staff Studies Received  
(continued)2. ~~SECRET~~Staff StudyPrepared by

- \* 9 U.S. Attitude Toward Exports to the European Soviet Bloc of Non-Strategic Commodities

State

Received in D/R 7 June 55; sent to: Ch/C/RR; D/R (E/C and E/ST).

Discussed at Drafting Group meeting 10 June 55.

- \* 11 Use of Inducements or Pressures on Free World Countries in Support of the U.S. Economic Defense Program

Commerce

Sent to: Ch/C/RR; D/R (E/C and E/ST).

Discussed at Drafting Group meeting 1 June 55.

Revision received in D/R 10 June 55; sent to: Ch/C/RR; D/R (E/C and E/ST).

- \* 12 Economic Penetration of Underdeveloped Areas by the Communist Bloc

State (with EDAC Working Group 5)

Approved in principle by EDAC and D/R in earlier draft of EDAC Working Group 5.

Discussed at Drafting Group meeting 1 June 55.

Revision received in D/S 9 June 55; sent to: Ch/C/RR; D/R (E/C and E/ST).

- \* 13 The ECONOMIC PROBLEMS Review of Major

Commerce

Received in D/R 7 June 55; sent to Ch/C/RR; D/R (E/C and E/ST).

Discussed at Drafting Group meeting 8 June 55.

- \* 14 NATO, SEATO, and the Economic Defense Program

Defense

Received in D/R 10 June 55; sent to: Ch/C/RR; D/R (E/C and E/ST).

Discussed at Drafting Group meeting 16 June 55.

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~~Staff Studies~~  
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Staff Study

Prepared by

# 15 Enhancing the Effectiveness of COCOM/CSINCO

State

Received in D/S 10 June 55; sent to Ch/G/NSC;  
D/S (S/C and S/SP).

Discussed at Drafting Group meeting 16 June 55.  
It was suggested that Staff Studies #14 and #15  
might be amalgamated, and that the Dodge Council  
might be asked in the policy paper if further  
study should be given to bringing COCOM closer to  
the NATO structure.

# 16 U.S. Policies on Enforcement of Controls

NDAC with Commerce  
and State

Received in D/S 9 June 55; sent to: Ch/G/NSC;  
D/S (S/C and S/SP).

Discussed at Drafting Group meeting 16 June 55;  
D/S suggestions for redraft of paper to be  
considered in the revision.

Comparative Draft of Revised statement of Policy on Economic Defense

Received 5 copies in D/S on 13 June 55; sent to: NDAC; Ch/G/NSC (2);  
D/S (S/C and S/SP).

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~~Our Drafting Group Staff Studies Not Yet Received~~

Staff Study

Prepared by

- #4 Flexible Application of Controls to Promote Soviet Bloc Stability

State

Draft received D/S 18 May 58.

Paper in process of revision before submission to Drafting Group.

- #5 American Commercial and Investment Relationships with Communist China

Commerce

Not yet received.

- #6 Trade Control Differentials

State

Not yet received.

- #8 Extent of Difference between U.S. and Multilateral Controls

Commerce and NDAC

Outline only received.

- #10 Import and Financial Controls

Treasury and Commerce

Not yet received.

- #17 Current East-West Trade Trends: Volume and Composition

State

Not yet received.

- #18 Current Experience re Soviet Bloc Commercial Orders and Trade External Policies

State

Not yet received.

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~~Staff Studies Unit Task Received~~  
~~(continued)~~

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Informal Papers to be Presented by Defense

1. Political Impact of Western Control upon the Soviet Bloc
2. Economic Structure of the Soviet Bloc

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